REMARKS

In the Office Action dated September 21, 2005, the Examiner summarized a restriction requirement following which claims 1-7 were elected. Claims 1-7 were rejected. By the present response, new claims 25-36 are added without adding any new matter. Upon entry of the amendments, claims 1-7, 25-36 will be pending in the present application. Reconsideration and allowance of all pending claims are requested.

Claim Objections

Claim 7 was objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim. Claim 7 has been amended based on Examiner's suggestion.

Rejections Under 35 U.S.C. § 112

Claim 5 was rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regard as the invention. Claim 5 has been amended based on Examiner's suggestion.

Rejections Under 35 U.S.C. § 102(e)

Claims 1-7 were rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,940,388 (Moro et al., hereinafter "Moro").

The independent claim 1 recites a soft magnetic material comprising an elongated first portion formed of a soft magnetic material and a second portion disposed on the first portion in an amount from about 0.05 weight percent to about 1 weight percent, the second portion being formed of an electrically insulating material.

For a reference to be anticipatory, each and every element of Applicants' instant claim must be present in a single reference. The Examiner's rejection is silent about the

shape of the soft magnetic material. Moreover, Moro neither teaches nor suggests that elongated magnetic particles should be used. On the contrary, Moro discloses the shape of the particles of the ferromagnetic powder, without any particular limitation, to be spherical or flat (see, e.g., col. 3, line 27-30). A "flat" particle does not imply an elongated particle.

Because Moro does not teach an elongated soft magnetic material, it necessarily does not teach, each and every element of claim 1. Consequently, Moro does not anticipate claim 1. Accordingly, Applicants respectfully submit that independent claim 1 is allowable and respectfully request the Examiner to reconsider rejection of the claim.

Claim 2 is believed to be patentable as it depends directly from presumably allowable claim 1. In addition, Moro does not teach the range mentioned in the instant claim. The Examiner cited the case of *In re Nehrenberg* in support of the proposition that a "[d]isclosure of a composition of matter in reference [sic] may be anticipatory even though reference [sic] indicates that composition is not preferred or even that it is unsatisfactory for the intended purpose." Applicants submit that the Examiner's reliance on *In re Nehrenberg* is misplaced. First, the MPEP now cites the case *only* in regards to use of the term "substantially".

Furthermore, even if the proposition advanced by the Examiner were generally true, which Applicants do not admit, the present case is clearly distinguishable. That is, if Moro disclosed the range recited in claim 2 at all, and then taught that it was useful only for certain limited purposes, the Examiner may have grounds to argue that the range is nevertheless taught. In this case, however, Moro simply does not disclose the range of claim 2. In fact, Moro teaches away from the range mentioned in the current claim, stating simply that thinner coatings will not function at all. See, e.g., col. 5, lines 12-17. Accordingly, Applicants respectfully submit that claim 2 is allowable and respectfully request the Examiner to reconsider rejection of the claim.

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Applicants respectfully submit that independent claim 1, and claims 2-7

depending therefrom are allowable and respectfully request the Examiner to reconsider

rejection of the claims.

New Claims

New claims 25-36 are added without adding any new subject matter. The new

independent claims include recitations essentially identical to those of claim 2 discussed

above. All of the new claims are believed to be allowable for the same reasons as those

advanced above with reference to claims 1 and 2.

Conclusion

In view of the remarks set forth above, Applicants respectfully request allowance

of the pending claims. If the Examiner believes that a telephonic interview will help

speed this application toward issuance, the Examiner is invited to contact the undersigned

at the telephone number listed below.

Respectfully submitted,

Date: 12/20/2007

Reg. No. 37,479

FLETCHER YODER

P.O. Box 692289

Houston, TX 77269-2289

(281) 970-4545